

**REMARKS**

Applicant respectfully requests reconsideration of this application. The preceding amendments and the following remarks are submitted as a full and complete response to the Office Action issued on July 18, 2008. Claims 1, 18 and 31 have been amended as to matters of form only. Support for the amendments may be found, *inter alia*, in the original claims. Claims 47-49 are new. Support for new claims 47-49 may be found, *inter alia*, at pages 8 and 13 of the specification. No new matter has been added. Claims 42 and 44 have been cancelled. Claims 1-15, 17-26, 28-33, 39-41, 43, 45 and 46-49 are pending.

Claims 1, 6-7, 10, 11-13, 15, 17, 18-20, 22-25, 31, 33, 39, 40, 41, 43, 45 and 46 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Caporaletti et al. (U.S. 6,686,027) ("Caporaletti") in view of Argoitia et al. (U.S. 2003/0129404) ("Argoitia"), and Phillips et al. (U.S. 2004/0101676) ("Phillips"). Applicant respectfully traverses the rejection and submits that the combination of cited art fails to disclose or suggest each and every element of the claims.

Claim 1, from which claims 6, 7, 10, 11-13, 15 and 17 depend, recites a security document, or semifinished product for producing the security document, having a substrate with first and second opposing substrate surfaces and a multilayer security element that is so connected with the substrate that it is visually recognizable at least from one of the two substrate surfaces. The security element includes a multilayer interference element producing a color shift effect and a layer with diffraction structures that at least partly overlaps the interference element, characterized in that the security element itself is semitransparent, the interference element has gaps in at least one absorber layer, and the diffraction structures directly adjoin the interference element. An effect caused by at least one of the diffraction

structures and a color shift effect produced by the interference element is visually recognizable from both sides of the security element depending on the way of viewing the security element.

Claim 18, from which claims 19, 20 and 22-25 depend, recites a security element to be embedded in or applied to a security document. The security element includes a multilayer interference element producing a color shift effect and a layer with diffraction structures that at least partly overlaps the interference element, characterized in that the security element is semitransparent, the interference element has gaps in at least one absorber layer, and the diffraction structures directly adjoin the interference element. An effect caused by at least one of the diffraction structures and a color shift effect produced by the overlying interference element are visually recognizable from both sides of the security element depending on the way of viewing the security element.

Claim 31, from which claims 33, 39, 40, 41, 43, 45 and 46 depend, recites transfer material for applying a security element to a document of value. The transfer material includes a layer structure of a multilayer interference element with a color shift effect, and a layer with diffraction structures that at least partly overlaps the interference element, characterized in that the security element is semitransparent, the interference element has gaps in at least one absorber layer, and the diffraction structures directly adjoin the interference element. An effect caused by at least one of the diffraction structures and a color shift effect produced by the overlying interference element are visually recognizable from both sides of the security element depending on the way of viewing the security element.

In Caporaletti, a multilayer security element (10) for documents of value is disclosed which has a core layer (12), outer layers (14, 16) on both sides of the core layer, and two opaque cover layers (18, 20) on the outer sides of the outer layers 14 and 16. An interference element (30) designed to produce a color shift effect is embedded into the security element

(10). The interference element (30) comprises an opaque reflective layer (50) and a thin film multilayer (52) overlying at least portions of the opaque layer (50). Finally, the security element comprises windows (32) in order to arrange an interference element (30) therein. See abstract; col. 3, 1. 9-30, 1. 45-52; col. 4, 1.23-25, 1.38-41; Fig.1.

In contrast to the present invention, neither the security element (10) nor the interference element (30) is semitransparent. Rather, the security element (10) is covered by the opaque layers (18, 20) on both sides and the interference element (30) comprises the opaque reflective layer (50). At the window (32)) where the opaque layers (18, 20) include openings to the opaque interference elements (3). Again, no (semi-)transparent area in the security element (10) occurs, since the interference layer (30), which is embedded into such a window (32), includes the opaque reflective layer (50). See col. 4, ll. 49-61; Fig. 1. Thus, Caporaletti fails to disclose each and every element of claims 1, 6-7, 10, 11-13, 15, 17, 18-20, 22-25, 31, 33, 39, 40, 41, 43, 45 and 46.

Argoita fails to cure the deficiencies of Caporaletti. In Argoitia, a number of different multilayer flakes and foils are disclosed which all include diffraction structures in order to produce an optically variable effect. See abstract. The number and arrangement of the different layers of such flakes or foils greatly vary between the different embodiments disclosed in the document (see Figs. 3 to 17) whereas some of the structures disclosed do not comprise a reflective layer and may therefore be at least semitransparent (see paras. 0171-0176 with reference to Fig. 15 in connection with para. 0070 mentioning a transparent dielectric material). The different layers of the respective foils are arranged so that no color shift effect occurs (see paras 0111, 0173). Further, the arrangement is designed so that the reflective layer (if existent) appears less prominent. The optically variable effect should rather be effected by the diffraction structure only (see paras. 0053, 0054). The respective teaching to avoid a color shift

effect would teach away from the present invention which comprises an element causing such a color shift effect.

Thus, Argoita fails to cure the deficiencies of Caporaletti. Further, one skilled in the art would not even have consulted Argoita since it teaches away from the present invention.

Phillips fails to cure the deficiencies in the Caporaletti / Argoita combination. While Phillips describes a device that includes gaps, it does not describe a semi-transparent security element.

Therefore, a security element resulting from the combination of Caporaletti, Argoitia and Phillips is not semitransparent. Accordingly, Applicant respectfully requests that the rejection be withdrawn and that claims 1, 6-7, 10, 11-13, 15, 17, 18-20, 22-25, 31, 33, 39, 40, 41, 43, 45 and 46 be allowed.

Claims 2 and 3 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Caporaletti in view of Argoitia and Phillips, and further in view of Howland et al. (U.S. 6,089,614) ("Howland"). Applicant respectfully traverses the rejection as the combination of cited art fails to disclose or suggest each and every element of the claims.

Howland fails to cure the deficiencies of the prior art, as applied to claim 1, as Howland discloses indicia (e.g. holograms) as security elements and is not directed to a semi-transparent security element as defined by claim 1, upon which claims 2 and 3 depend. See abstract.

Accordingly, Applicant respectfully submits that the rejection is improper and requests that it be withdrawn and that claims 2 and 3 be allowed.

Claims 3, 4, 14, 26 and 28-30 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Caporaletti in view of Argoitia, Phillips and further in view of Bonkowski et al. (U.S. 6,761,959) ("Bonkowski"). Applicant respectfully traverses the rejection as the combination of cited art fails to disclose or suggest each and every element of the claims.

Bonkowski fails to cure the above-described deficiencies of the prior art, as applied to claims 1 and 18, as Bonkowski, like Howland, discloses a hologram as providing the security element and is not directed to a semi-transparent security element as defined by claims 1 and 18. See abstract. Accordingly, Applicant respectfully submits that the rejection is improper and requests that rejection be withdrawn and that claims 3, 4, 14, 26 and 28-30 be allowed.

Claims 47-49 are inventive over the prior art for at least the same reasons already described above. Further, Caporaletti as modified by Argoitia does not disclose that the interference element has gaps in at least one layer. Phillips fails to cure the deficiencies of the prior art. Phillips merely discloses gaps that are included in all layers of the interference element. See Phillips, Fig. 10A to 14 and Present Office Action, p. 4. Thus, for these additional reasons, claims 47-49 are allowable.

An objection was made to claims 9 and 21 as being dependent upon a rejected base claim. Applicant respectfully submits that this objection is now moot, and requests that it be withdrawn. Accordingly, Applicant requests that claims 9 and 21 be passed to issuance.

In view of the foregoing amendments and remarks, Applicants respectfully submit that this application is in condition for allowance and should now be passed to issue.

A Notice of Allowance is respectfully solicited.

If any extension of time is required in connection with the filing of this paper and has not been requested separately, such extension is hereby requested.

The Commissioner is hereby authorized to charge any fees and to credit any overpayments that may be required by this paper under 37 C.F.R. §§ 1.16 and 1.17 to Deposit Account No. 02-2135.

Respectfully submitted,

October 20, 2008

By: /Brian A. Tollefson/

Rothwell, Figg, Ernst & Manbeck P.C.  
1425 K Street, N.W., Suite 800  
Washington, D.C. 20005  
(202) 783-6040 (voice)  
(202) 783-6031 (fax)

Brian A. Tollefson  
Registration No. 46,338

David B. Orange  
Registration No. 55,513

#1541452\_1